

Proposed technical correction:

SECTION #. G.S. 143-318.18 reads as rewritten:

"§ 143-318.18. Exceptions.

→ This Article does not apply ~~to~~ to any of the following:

- (1) Grand and petit juries.
- (2) Any public body that is specifically authorized or directed by law to meet in executive or confidential session, to the extent of the authorization or direction.
- (3) The Judicial Standards Commission.
- (3a) The North Carolina Innocence Inquiry Commission.
- (4) Repealed by Session Laws 1991, c. 694, s. 9.
- (4a) The Legislative Ethics Committee.
- (4b) A conference committee of the General Assembly.
- (4c) A caucus by members of the General Assembly; however, no member of the General Assembly shall participate in a caucus ~~which~~ that is called for the purpose of evading or subverting this Article.
- (5) Law enforcement agencies.
- (6) A public body authorized to investigate, examine, or determine the character and other qualifications of applicants for professional or occupational licenses or certificates or to take disciplinary actions against persons holding ~~such~~ these licenses or certificates, (i) while preparing, approving, administering, or grading examinations or (ii) while meeting with respect to an individual applicant for or holder of ~~such a~~ the license or certificate. This exception does not amend, repeal, or supersede any other statute that requires a public hearing or other practice and procedure in a proceeding before ~~such a~~ the public body.
- (7) Any public body subject to the State Budget Act, Chapter 143C of the General ~~Statutes~~ Statutes, and exercising quasi-judicial functions, during a meeting or session held solely for the purpose of making a decision in an adjudicatory action or proceeding.
- ★ (8) The boards of trustees of endowment funds authorized by ~~G.S. 116-36 or G.S. 116-238.~~ G.S. 116-36.
- (9) Repealed by Session Laws 1991, c. 694, s. 9.
- (10) Repealed by Session Laws 2013-234, s. 10, effective July 3, 2013.
- (11) The General Court of Justice." (1979, c. 655, s. 1; 1985, c. 757, s. 206(e); 1991, c. 694, s. 9; 2006-184, s. 6; 2006-203, s. 95; 2010-171, s. 5; 2013-234, s. 10.)

Explanation: In addition to making clean-up changes, this proposed technical correction deletes an obsolete reference to G.S. 116-238, which was repealed by S.L. 2006-66, s. 9.11(v). Former G.S. 116-238 provided for an endowment fund for the North Carolina School of Science and Mathematics. S.L. 2006-66, s. 9.11(k), amended G.S. 116-231 to provide that the school is a constituent high school of The University of North Carolina. G.S. 116-36 provides for an endowment fund for each constituent institution of The University of North Carolina. There is already a reference to G.S. 116-36 in the statute; therefore, a new reference does not need to be added.

Background:

Former G.S. 116-238:

§ 116-238. (Repealed effective July 1, 2007) Endowment fund.

(a) The Board of Trustees of the School may establish and maintain, consistent with this section, an endowment fund for the School.

(b) It is not the intent of this section that the proceeds from any endowment fund shall take the place of State appropriations or any part thereof, but it is the intent of this section that those proceeds shall supplement the State appropriations to the end that the School may improve and increase its functions, may enlarge its areas of service, and may become more useful to a greater number of people.

(c) Pursuant to the foregoing subsections and consistent with the powers and duties prescribed in this section, the Board of Trustees of the School shall appoint an investment board to be known as "The Board of Trustees of the Endowment Fund of the North Carolina School of Science and Mathematics."

(d) The trustees of the endowment fund may receive and administer as part of the endowment fund gifts, devises, and bequests and any other property of any kind that may come to them from the Board of Governors of The University of North Carolina or that may come to the trustees of the endowment fund from any other source, excepting always the moneys received from State appropriations and from tuition and fees, if any, collected from students and used for the general operation of the institution.

(e) The trustees of the endowment fund shall be responsible for the prudent investment of the fund in the exercise of their sound discretion, without regard to any statute or rule of law relating to the investment of funds by fiduciaries but in compliance with any lawful condition placed by the donor upon that part of the endowment fund to be invested.

(f) In the process of prudent investment of the fund or to realize the statutory intent of the endowment, the Board of Trustees of the endowment fund may expend or use interest and principal of gifts, devises, and bequests; provided that, the expense or use would not violate any condition or restriction imposed by the original donor of the property which is to be expended or used. To realize the statutory intent of the endowment fund, the Board of Trustees of the endowment fund may transfer interest or principal of the endowment fund to the useful possession of the School; provided that, the transfer would not violate any condition or restriction imposed by the original donor of the property which is the subject of the proposed transfer.

(g) The trustees of the endowment fund shall have the power to buy, sell, lend, exchange, lease, transfer, or otherwise dispose of or to acquire (except by pledging their credit or violating a lawful condition of receipt of the corpus into the endowment fund) any property, real or personal, with respect to the fund, in either public or private transaction, and in doing so they shall not be subject to the provisions of Chapters 143, 143C, and 146 of the General Statutes; provided that, any expense or financial obligation of the State of North Carolina created by any acquisition or disposition, by whatever means, of any real or personal property of the endowment fund shall be borne by the endowment fund unless authorization to satisfy the expense or financial obligation from some other source shall first have been obtained from the Director of the Budget.

(h), (i) Reserved for future codification purposes.

(j) Any gift, devise, or bequest of real or personal property to the North Carolina School of Science and Mathematics shall be presumed, nothing to the contrary appearing, a gift, devise, or bequest, as the case may be, to the endowment fund of the School.

(k) Whenever any property of the endowment fund authorized by this section is disposed of or otherwise transferred from the endowment fund, any instrument of transfer shall indicate that the donor, grantor, seller, lessor, lender, or transferor, as the case may be, is the Board of Trustees of the endowment fund.

(l) All instruments for execution of the duly authorized business of the endowment fund, including deeds of conveyance and other documents of title to real property, are hereby authorized to be executed in the name of the endowment board by the principal officer of the Board of Trustees of the endowment fund or such other person or agent as the board may expressly appoint in a manner consistent with the requirements of law. (1985, c. 757, s. 206(b); 2006-66, s. 9.11(v); 2006-203, s. 55.)

Current G.S. 116-36:

§ 116-36. Endowment fund.

(a) The board of trustees of each constituent institution shall establish and maintain, pursuant to such terms and conditions, uniformly applicable to all constituent institutions, as the Board of Governors of the University of North Carolina may from time to time prescribe, an endowment fund for the constituent institution.

(b) It is not the intent of this section that the proceeds from any endowment fund shall take the place of State appropriations or any part thereof, but it is the intent of this section that those proceeds shall supplement the State appropriations to the end that the institution may improve and increase its functions, may enlarge its areas of service, and may become more useful to a greater number of people.

(c) Pursuant to the foregoing subsections and consistent with the powers and duties prescribed in this section, each board of trustees shall appoint an investment board to be known as "The Board of Trustees of the Endowment Fund of _____" (here shall be inserted the name of the constituent institution).

(d) The trustees of the endowment fund may receive and administer as part of the endowment fund gifts, and devises and any other property of any kind that may come to them from the Board of Governors of the University of North Carolina or that may come to the trustees of the endowment fund from any other source, excepting always the monies received from State appropriations and from tuition and fees collected from students and used for the general operation of the institution.

(e) The trustees of the endowment fund shall be responsible for the prudent investment of the fund in the exercise of their sound discretion, without regard to any statute or rule of law relating to the investment of funds by fiduciaries but in compliance with any lawful condition placed by the donor upon that part of the endowment fund to be invested.

(f) In the process of prudent investment of the fund or to realize the statutory intent of the endowment, the board of trustees of the endowment fund may expend or use interest and principal of gifts, and devises; provided that, the expense or use would not violate any condition or restriction imposed by the original donor of the property which is to be expended or used. To realize the statutory intent of the endowment fund, the board of trustees of the endowment fund may transfer interest or principal of the endowment fund to the useful possession of the constituent

institution; provided that, the transfer would not violate any condition or restriction imposed by the original donor of the property which is the subject of the proposed transfer.

(g) The trustees of the endowment fund shall have the power to buy, sell, lend, exchange, lease, transfer, or otherwise dispose of or to acquire (except by pledging their credit or violating a lawful condition of receipt of the corpus into the endowment fund) any property, real or personal, with respect to the fund, in either public or private transaction, and in doing so they shall not be subject to the provisions of Chapters 143, 143C, and 146 of the General Statutes; provided that, any expense or financial obligation of the State of North Carolina created by any acquisition or disposition, by whatever means, of any real or personal property of the endowment fund shall be borne by the endowment fund unless authorization to satisfy the expense or financial obligation from some other source shall first have been obtained from the Director of the Budget.

(h) The Board of Governors of the University of North Carolina shall establish and maintain in a manner not inconsistent with the provisions of this section or with regulations established under this section an endowment fund for all endowment funds now held or hereafter acquired by the University of North Carolina for the benefit of the University as a whole, or for the joint benefit of any two or more constituent institutions of the University.

(i) The Board of Governors of the University of North Carolina shall establish and maintain in a manner not inconsistent with the provisions of this section or with regulations established under this section an endowment fund for all endowment funds now held or hereafter acquired for the benefit of the University of North Carolina Press.

(il) The Board of Governors of the University of North Carolina shall establish and maintain in a manner not inconsistent with the provisions of this section or with regulations established under this section an endowment fund for all endowment funds now held or hereafter acquired for the benefit of the University of North Carolina Center for Public Media.

(j) Any gift or devise of real or personal property to a constituent institution of the University of North Carolina or to the University of North Carolina or to the University of North Carolina Press or to the University of North Carolina Center for Public Media shall be presumed, nothing to the contrary appearing, a gift or devise, as the case may be, to the endowment fund of the respective institution or agency.

(k) Whenever any property of an endowment fund authorized by this section is disposed of or otherwise transferred from the endowment fund, any instrument of transfer shall indicate that the donor, grantor, seller, lessor, lender, or transferor, as the case may be, is the board of trustees of the endowment fund.

(l) The proceeds and funds described by this section are appropriated and may be used only as provided by this section.

(m) Chapter 36E of the General Statutes applies to an endowment fund authorized by this section. (1971, c. 1244, s. 1; 1977, c. 506; 1979, c. 649, ss. 2, 3; 1983, c. 717, s. 31; 1985 (Reg. Sess., 1986), c. 955, ss. 28, 29; 2006-203, ss. 44, 44.1; 2009-8, s. 5; 2011-284, s. 83(a), (b), (c); 2019-139, s. 2.1(a).)

GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

SESSION LAW 2006-66

SENATE BILL 1741

AN ACT TO MODIFY THE CURRENT OPERATIONS AND CAPITAL APPROPRIATIONS ACT OF 2005, TO INCREASE TEACHER AND STATE EMPLOYEE PAY, TO REDUCE THE SALES TAX RATE AND THE INCOME TAX RATE APPLICABLE TO MOST SMALL BUSINESSES, TO CAP THE VARIABLE WHOLESALE COMPONENT OF THE MOTOR FUEL TAX RATE AT ITS CURRENT RATE, TO ENACT OTHER TAX REDUCTIONS, AND TO PROVIDE FOR THE FINANCING OF HIGHER EDUCATION FACILITIES AND PSYCHIATRIC HOSPITALS AND OTHER CAPITAL PROJECTS.

The General Assembly of North Carolina enacts:

NC SCHOOL OF SCIENCE AND MATH/HIGH SCHOOL CONSTITUENT INSTITUTION

SECTION 9.11.(a) G.S. 116-2 reads as rewritten:

"§ 116-2. Definitions.

As used in this Article, unless the context clearly indicates a contrary intent:

- (1) "Board" means the Board of Governors of the University of North Carolina.
- (2) "Board of trustees" means the board of trustees of a constituent institution.
- (3) "Chancellor" means the chancellor of a constituent institution.
- (4) "Constituent institution" or "institution" means one of the 16 public ~~senior~~ institutions, institutions of higher education, to wit, the University of North Carolina at Chapel Hill, North Carolina State University at Raleigh, the University of North Carolina at Greensboro, the University of North Carolina at Charlotte, the University of North Carolina at Asheville, the University of North Carolina at Wilmington, Appalachian State University, East Carolina University, Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina School of the Arts, Pembroke State University, redesignated effective July 1, 1996, as the "University of North Carolina at Pembroke", Western Carolina University, and Winston-Salem State ~~University~~. University, and the constituent high school, the North Carolina School of Science and Mathematics.
- (5) "President" means the President of the University of North Carolina.
- (6) "Vending facilities" has the same meaning as it does in G.S. 143-12.1."

SECTION 9.11.(b) G.S. 116-4 reads as rewritten:

"§ 116-4. Constituent institutions of the University of North Carolina.

~~On July 1, 1972, the~~ The University of North Carolina shall be composed of the following ~~institutions:~~ institutions of higher education: the University of North Carolina at Chapel Hill, North Carolina State University at Raleigh, the University of North Carolina at Greensboro, the University of North Carolina at Charlotte, the University of North Carolina at Asheville, the University of North Carolina at Wilmington, Appalachian State University, East Carolina University, Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina School of the Arts, Pembroke State University, redesignated effective July 1, 1996, as the "University of North Carolina at Pembroke", Western Carolina University and Winston-Salem State ~~University~~. University, and the constituent high school, the North Carolina School of Science and Mathematics."

SECTION 9.11.(c) G.S. 116-12 reads as rewritten:

"§ 116-12. Property and obligations.

All property of whatsoever kind and all rights and privileges held by the Board of Higher Education and by the Boards of Trustees of Appalachian State University, East Carolina University, Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina School of the Arts, Pembroke State University, redesignated effective July 1, 1996, as the "University of North Carolina at Pembroke", Western Carolina University and Winston-Salem State University, as said property, rights and privileges may exist immediately prior to July 1, 1972, shall be, and hereby are, effective July 1, 1972, transferred to and vested in the Board of Governors of the University of North Carolina. All obligations of whatsoever kind of the Board of Higher Education and of the Boards of Trustees of Appalachian State University, East Carolina University, Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina School of the Arts, Pembroke State University, redesignated effective July 1, 1996, as the "University of North Carolina at Pembroke", Western Carolina University and Winston-Salem State University, as said obligations may exist immediately prior to July 1, 1972, shall be, and the same hereby are, effective July 1, 1972, transferred to and assumed by the Board of Governors of the University of North Carolina. Any property, real or personal, held immediately prior to July 1, 1972, by a board of trustees of a constituent institution for the benefit of that institution or by the University of North Carolina for the benefit of any one or more of its six institutions, shall from and after July 1, 1972, be kept separate and distinct from other property held by the Board of Governors, shall continue to be held for the benefit of the institution or institutions that were previously the beneficiaries and shall continue to be held subject to the provisions of the respective instruments, grants or other means or process by which any property right was acquired. All property of whatsoever kind and all rights and privileges held by the Board of Trustees of the North Carolina School of Science and Mathematics, as said property, rights and privileges may exist immediately prior to July 1, 2007, shall be and hereby are, effective July 1, 2007, transferred to and vested in the Board of Governors of The University of North Carolina. All obligations of whatsoever kind of the Board of Trustees of the North Carolina School of Science and Mathematics as said obligations may exist immediately prior to July 1, 2007, shall be, and the same hereby are, effective July 1, 2007, transferred to and assumed by the Board of Governors of The University of North Carolina. In case a conflict arises as to which property, rights or privileges were held for the beneficial interest of a particular institution, or as to the extent to which such property, rights or privileges were so held, the Board of Governors shall determine the issue, and the determination of the Board shall constitute final administrative action. Nothing in this Article shall be deemed to increase or diminish the income, other revenue or specific property which is pledged, or otherwise hypothecated, for the security or liquidation of any obligations, it being the intent that the Board of Governors shall assume said obligations without thereby either enlarging or diminishing the rights of the holders thereof."

SECTION 9.11.(d) G.S. 116-17 reads as rewritten:

"§ 116-17. Purchase of annuity or retirement income contracts for faculty members, officers and employees.

Notwithstanding any provision of law relating to salaries and/or salary schedules for the pay of faculty members, administrative officers, or any other employees of universities, ~~colleges-colleges, constituent institutions, and other~~ institutions of higher learning as named and set forth in this Article, and other State agencies qualified as educational institutions under section 501(c)(3) of the United States Internal Revenue Code, the governing boards of any such universities, ~~colleges-colleges, constituent institutions, and other~~ institutions of higher learning may authorize the business officer or agent of same to enter into annual contracts with any of the faculty members, administrative officers and employees of said institutions ~~of higher learning~~ which provide for a reduction in salary

below the total established compensation or salary schedule for a term of one year. The financial officer or agent shall use the funds derived from the reduction in the salary of the faculty member, administrative officer or employee to purchase a nonforfeitable annuity or retirement income contract for the benefit of said faculty member, administrative officer or employee of said universities, colleges and ~~institutions of higher learning institutions~~. A faculty member, administrative officer or employee who has agreed to a salary reduction for this purpose shall not have the right to receive the amount of the salary reduction in cash or in any other way except the annuity or retirement income contract. Funds used for the purchase of an annuity or retirement income contract shall not be in lieu of any amount earned by the faculty member, administrative officer or employee before his election for a salary reduction has become effective. The agreement for salary reductions referred to herein shall be effected under any necessary regulations and procedures adopted by the various governing boards of the various institutions ~~of higher learning~~ and on forms prepared by said governing boards. Notwithstanding any other provision of this section or law, the amount by which the salary of any faculty member, administrative officer or employee is reduced pursuant to this section shall not be excluded, but shall be included, in computing and making payroll deductions for social security and retirement system purposes, and in computing and providing matching funds for retirement system purposes.

In lieu of the annuity and related contracts provided for under this section, interests in custodial accounts pursuant to Section 401(f), Section 403(b)(7), and related sections of the Internal Revenue Code of 1986 as amended may be purchased for the benefit of qualified employees under this section with the funds derived from the reduction in the salaries of such employees."

SECTION 9.11.(e) The catch line of G.S. 116-30.2 reads as rewritten:
"§ 116-30.2. Appropriations to special responsibility constituent ~~institutions and to the North Carolina School of Science and Mathematics~~ institutions."

SECTION 9.11.(f) G.S. 116-30.2(b) is repealed.

SECTION 9.11.(g) G.S. 116-31(d) reads as rewritten:

"(d) ~~Effective~~ Except as provided in G.S. 116-65, effective July 1, 1973, each of the 16 constituent institutions of higher education set out in G.S. 116-2(4) shall have board of trustees composed of 13 persons chosen as follows:

- (1) Eight elected by the Board of Governors,
- (2) Four appointed by the Governor, and
- (3) The president of the student government ex officio.

The Board of Trustees of the North Carolina School of Science and Mathematics shall be established in accordance with G.S. 116-233."

SECTION 9.11.(h) G.S. 116-40.22(c) reads as rewritten:

"(c) Tuition and Fees. – Notwithstanding any provision in Chapter 116 of the General Statutes to the contrary, in addition to any tuition and fees set by the Board of Governors pursuant to G.S. 116-11(7), the Board of Trustees of the institution may recommend to the Board of Governors tuition and fees for program-specific and institution-specific needs at that institution without regard to whether an emergency situation exists and not inconsistent with the actions of the General Assembly. The institution shall retain any tuition and fees set pursuant to this subsection for use by the institution. Notwithstanding this subsection, neither the Board of Governors of The University of North Carolina nor its Board of Trustees shall impose any tuition or mandatory fee at the North Carolina School of Science and Mathematics without the approval of the General Assembly."

SECTION 9.11.(i) G.S. 116-143 reads as rewritten:

"§ 116-143. State-supported institutions of higher education required to charge tuition and fees.

The Board of Governors of ~~the~~ The University of North Carolina shall fix the tuition and fees, not inconsistent with actions of the General Assembly, at the institutions of higher education enumerated in G.S. 116-4 in such amount or amounts as it may deem best, taking into consideration the nature of each institution and program of study and the cost of

equipment and maintenance; and each institution shall charge and collect from each student, at the beginning of each semester or quarter, tuition, fees, and an amount sufficient to pay other expenses for the term.

In the event that said students are unable to pay the cost of tuition and required academic fees as the same may become due, in cash, the said several boards of trustees are hereby authorized and empowered, in their discretion, to accept the obligation of the student or students together with such collateral or security as they may deem necessary and proper, it being the purpose of this Article that all students in State institutions of higher learning shall be required to pay tuition, and that free tuition is hereby abolished. Notwithstanding this section, neither the Board of Governors of The University of North Carolina nor its Board of Trustees shall impose any tuition or mandatory fee at the North Carolina School of Science and Mathematics without the approval of the General Assembly.

Inasmuch as the giving of tuition and fee waivers, or especially reduced rates, represent in effect a variety of scholarship awards, the said practice is hereby prohibited except when expressly authorized by statute or by the Board of Governors of ~~the~~ The University of North Carolina; and, furthermore, it is hereby directed and required that all budgeted funds expended for scholarships of any type must be clearly identified in budget reports.

Notwithstanding the above provision relating to the abolition of free tuition, the Board of Governors of ~~the~~ The University of North Carolina may, in its discretion, provide regulations under which a full-time faculty member of the rank of full-time instructor or above, and any full-time staff member of ~~the~~ The University of North Carolina may during the period of normal employment enroll for not more than one course per semester in ~~the~~ The University of North Carolina free of charge for tuition, provided such enrollment does not interfere with normal employment obligations and further provided that such enrollments are not counted for the purpose of receiving general fund appropriations."

SECTION 9.11.(j) G.S. 116-230.1 reads as rewritten:

"§ 116-230.1. Policy.

It is hereby declared to be the policy of the State to foster, encourage, promote, and provide assistance in the development of skills and careers in science and mathematics among the people of the State."

SECTION 9.11.(k) G.S. 116-231 reads as rewritten:

"§ 116-231. Reestablishment of the North Carolina School of Science and Mathematics as an Affiliated School a Constituent High School of The University of North Carolina.

The North Carolina School of Science and Mathematics is hereby reestablished, as ~~an affiliated~~ a constituent high school of The University of North Carolina, and shall be governed by the Board of Governors as prescribed in this Chapter and a Board of Trustees as prescribed in this Article."

SECTION 9.11.(l) G.S. 116-232 reads as rewritten:

"§ 116-232. Purposes.

The purposes of the School shall be to foster the educational development of North Carolina high school students who are academically talented in the areas of science and mathematics and show promise of exceptional development and global leadership through participation in a residential educational setting emphasizing instruction in the areas of science and mathematics; ~~to develop, evaluate, and disseminate experimental instructional programs; and to serve all schools of the State through research and outreach activities and to provide instruction, methods, and curricula designed to improve teaching and learning in North Carolina and the nation with an emphasis on distance education and programs that expand pathways for students into careers in science and mathematics.~~

SECTION 9.11.(m) The introductory language of G.S. 116-233(a) reads as rewritten:

"(a) ~~There~~ Notwithstanding the provisions of G.S. 116-31(d), there shall be a Board of Trustees of the School, which shall consist of 27 members as follows:

..."

SECTION 9.11.(n) G.S. 116-234 reads as rewritten:

"§ 116-234. Board of Trustees; meetings; rules of procedure; officers.

(a) The Board of Trustees shall meet at least ~~four~~^{three} times a year and may hold special meetings at any time, at the call of the chairman or upon petition addressed to the chairman by at least four of the members of the Board.

(b) ~~The Notwithstanding the provisions of G.S. 116-32, the~~ Board of Trustees shall elect a chairman and a vice-chairman; no ex officio member may hold such an office.

(c) The Board of Trustees shall determine its own rules of procedure and may delegate to such committees as it may create such of its powers as it deems appropriate.

(d) Members of the Board of Trustees, other than ex officio members under G.S. 116-233(a)(3), shall receive such per diem compensation and necessary travel and subsistence expenses while engaged in the discharge of their official duties as is provided by law for members of State boards and commissions. Ex officio members under G.S. 116-233(a)(3) shall be reimbursed for travel expenses as provided by G.S. 138-6."

SECTION 9.11.(o) The catch line of G.S. 116-235 reads as rewritten:

"§ 116-235. Board of Trustees; additional powers and duties."

SECTION 9.11.(p) G.S. 116-235 is amended by adding a new subsection to read:

"(a) In addition to the powers enumerated in Chapter 116, Article I, Part 3, the Board of Trustees shall have the powers and duties set out in this section."

SECTION 9.11.(q) G.S. 116-235(a) reads as rewritten:

"~~(a)~~(a1) Academic Program. –

(1) The Board of Trustees shall establish the standard course of study for the School. This course of study shall set forth the subjects to be taught in each grade and the texts and other educational materials on each subject to be used in each grade.

(2) The Board of Trustees shall adopt regulations governing class size, the instructional calendar, the length of the instructional day, and the number of instructional days in each term."

SECTION 9.11.(r) G.S. 116-235(b) reads as rewritten:

"(b) Students. –

(1) Admission of Students. – The School shall admit students in accordance with criteria, standards, and procedures established by the Board of Trustees. To be eligible to be considered for admission, an applicant must be either a legal resident of the State, as defined by G.S. 116-143.1(a)(1), or a student whose parent is an active duty member of the armed services, as defined by G.S. 116-143.3(2), who is abiding in this State incident to active military duty at the time the application is submitted, provided the student shares the abode of that parent; eligibility to remain enrolled in the School shall terminate at the end of any school year during which a student becomes a nonresident of the State. The Board of Trustees shall ensure, insofar as possible without jeopardizing admission standards, that an equal number of qualified ~~rising high school juniors~~^{qualified applicants} is admitted to the program and to the residential summer institutes in science and mathematics from each of North Carolina's congressional districts. In no event shall the differences in the number of ~~rising high school juniors~~^{qualified applicants} offered admission to the program from each of North Carolina's congressional districts be more than two and one-half percentage points from the average number per district who are offered admission.

(2) School Attendance. – Every parent, guardian, or other person in this State having charge or control of a child who is enrolled in the School and who is less than 16 years of age shall cause such child to attend school continuously for a period equal to the time which the School shall be in

session. No person shall encourage, entice, or counsel any child to be unlawfully absent from the School. Any person who aids or abets a student's unlawful absence from the School shall, upon conviction, be guilty of a Class 1 misdemeanor. The ~~Director-Chancellor~~ of the School shall be responsible for implementing such additional policies concerning compulsory attendance as shall be adopted by the Board of Trustees, including regulations concerning lawful and unlawful absences, permissible excuses for temporary absences, maintenance of attendance records, and attendance counseling.

- (3) Student Discipline. – Rules of conduct governing students of the School shall be established by the Board of Trustees. The ~~Director, Chancellor,~~ other administrative officers, and all teachers, substitute teachers, voluntary teachers, teacher aides and assistants, and student teachers in the School may use reasonable force in the exercise of lawful authority to restrain or correct pupils and maintain order.

SECTION 9.11.(s) G.S. 116-235(c) through G.S. 116-235(h) is repealed.

SECTION 9.11.(t) G.S. 116-236 is repealed.

SECTION 9.11.(u) G.S. 116-237 is repealed.

SECTION 9.11.(v) G.S. 116-238 is repealed

SECTION 9.11.(w) G.S. 66-58(c)(3) reads as rewritten:

"(c) The provisions of subsection (a) shall not prohibit:

- ...
- (3) The business operation of endowment funds established for the purpose of producing income for educational purposes; for purposes of this section, the phrase "operation of endowment funds" shall include the operation by ~~public postsecondary educational institutions of~~ The University of North Carolina of campus stores, the profits from which are used exclusively for awarding scholarships to defray the expenses of students attending the institution; provided, that the operation of the stores must be approved by the board of trustees of the institution, and the merchandise sold shall be limited to educational materials and supplies, gift items and miscellaneous personal-use articles. Provided further that, notwithstanding this subsection, profits from a campus store operated by the endowment of the North Carolina School of Science and Mathematics are used exclusively for student activities, athletics, and other programs to enhance student life. Provided further that sales at campus stores are limited to employees of the institution and members of their immediate families, to duly enrolled students of the campus at which a campus store is located and their immediate families, to duly enrolled students of other campuses of the University of North Carolina other than the campus at which the campus store is located, to other campus stores and to other persons who are on campus other than for the purpose of purchasing merchandise from campus stores. It is the intent of this subdivision that campus stores be established and operated for the purpose of assuring the availability of merchandise described in this Article for sale to persons enumerated herein and not for the purpose of competing with stores operated in the communities surrounding the campuses of the University of North Carolina."

SECTION 9.11.(x) G.S. 66-58(g) is repealed.

SECTION 9.11.(y) G.S. 126-5(c1)(8) reads as rewritten:

"(c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the provisions of this Chapter shall not apply to:

...

- (8) Instructional and research staff, physicians, and dentists of The University of North Carolina. Carolina, including the faculty of the North Carolina School of Science and Mathematics.

"

SECTION 9.11.(z) G.S. 126-5(c1)(11) is repealed.

SECTION 9.11.(aa) **RESERVED**

SECTION 9.11.(bb) **RESERVED**

SECTION 9.11.(cc) G.S. 143-597(a) is amended by adding a new subdivision

to read:

"(7) The North Carolina School of Science and Mathematics."

SECTION 9.11.(dd) This section becomes effective July 1, 2007.

...

EFFECTIVE DATE

SECTION 28.7. Except as otherwise provided, this act becomes effective July 1, 2006.

In the General Assembly read three times and ratified this the 6th day of July, 2006.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 2:36 p.m. this 10th day of July, 2006